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8 UNITED STATES DISTRICT COURT  
9 CENTRAL DISTRICT OF CALIFORNIA  
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11 ROBIN STANSBERRY, ) Case No. CV 09-08567-DTB  
12 Plaintiff, )  
13 vs. ) ORDER GRANTING IN PART AND  
14 UNITED STATES OF ) DENYING IN PART DEFENDANT  
15 AMERICA, ) UNITED STATES OF AMERICA'S  
16 Defendant. ) MOTION FOR SUMMARY  
JUDGMENT

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17  
18 **INTRODUCTION**

19 On November 20, 2009, Plaintiff Robin Stansberry ("Plaintiff") filed a  
20 complaint ("Compl.") alleging damages caused by the negligence of Defendant  
21 United States of America ("Defendant"). On February 5, 2010, Defendant filed an  
22 Answer to the Complaint ("Answer"). The parties' consent to the undersigned  
23 Magistrate Judge was approved and ordered on October 29, 2010. On January 20,  
24 2011, Defendant filed a Motion for Summary Judgment along with a supporting  
25 Memorandum of Points and Authorities (the "Motion" or "MSJ") and a Declaration  
26 of Linda Bryant in Support of the Motion ("Bryant Decl.") with corresponding  
27 exhibits. In addition, Defendant filed a Statement of Uncontroverted Facts and  
28 Conclusions of Law ("Statement"). Plaintiff filed an Opposition to the Motion

1 (“Opp.”) with corresponding exhibits (“Opp. Exh.”) on February 3, 2011. Defendant  
2 filed a Reply in Support of the Motion (“Reply”) on February 10, 2011. A hearing  
3 on the Motion was held on February 23, 2011 and counsel for both Plaintiff and  
4 Defendant appeared and argued their respective opinions. This matter is now ready  
5 for decision. For the reasons set forth below, the Motion is granted in part and denied  
6 in part.

### 8 **ALLEGATIONS IN THE COMPLAINT**

9 On December 26, 2006, while employed as an operating engineer by Cal-Pac  
10 Engineering (“Cal-Pac”), Plaintiff suffered injuries allegedly caused by Defendant’s  
11 negligence. (Compl. at 3; Opp. Exh. 1 at 32, 78.) Defendant had hired Cal-Pac to  
12 demolish an asphalt parking lot located on the March Air Reserve Base. (Compl. at  
13 3.) Plaintiff was using a loader with a bucket to excavate the asphalt of the existing  
14 parking lot, while leaving the underlying dirt grade intact. (Id.) As Plaintiff drove,  
15 his vehicle came to a sudden and complete stop, throwing Plaintiff out of his seat and  
16 into contact with the steering wheel, injuring him. (Id.) After exiting the loader,  
17 Plaintiff observed that his bucket had come into contact with a concrete-encased pole  
18 that had been buried underneath the asphalt surface (the “buried pole”)<sup>1</sup>. The buried  
19 pole appeared to be a car stop bollard that had been cut off and left beneath the  
20 asphalt. (Id.) Plaintiff alleges there were no markings in the area to warn of the  
21 existence of the buried pole and that Defendant had not provided any warning as to  
22 its existence. (Id.)

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26  
27 <sup>1</sup> The buried pole is referred to by the parties variously as the “fifth pole”  
28 (Opp at 4, 8; Reply at 2) or the “object” (MSJ at 14; Reply at 7, 8). The Court defines  
it for consistency and ease of explanation.

1 Plaintiff alleges that Defendant and/or its agents, servants and/or employees,  
2 had either created, or had actual or constructive notice of the existence of the buried  
3 pole. (Compl. at 3.) Plaintiff asserts that the buried pole constituted a dangerous  
4 condition and a “hidden trap” for workers who were otherwise using the premises  
5 with due care. (*Id.*) Plaintiff alleges that the negligence of the agents and employees  
6 of Defendant in connection with the creation and continued existence of the buried  
7 pole caused his injury. (Compl. at 3-4.)

### 8 9 **DEFENDANT’S MOTION FOR SUMMARY JUDGMENT**

10 In its Motion, Defendant argues that it is entitled to summary judgment because  
11 Defendant could not be liable under any theory of negligence liability.

12 First, Defendant asserts that sovereign immunity bars Plaintiff’s negligence  
13 claim to the extent it is based upon Defendant’s hiring of an independent contractor,  
14 as the United States has not waived sovereign immunity for claims based upon such  
15 theory. (MSJ at 8.) Plaintiff concedes that the Defendant has not waived its  
16 sovereign immunity with respect to any negligence on the part of Cal-Pac, but  
17 maintains that Defendant has waived its sovereign immunity for its own negligence  
18 as a landowner. (Opp. at 7.)

19 Defendant asserts that, as the hirer of an independent contractor, such as Cal-  
20 Pac, the United States is not liable in tort for work-related injuries sustained by an  
21 employee when the contractor is insured by a policy of workers’ compensation  
22 insurance. (MSJ at 10, citing Privette v. Superior Court, 5 Cal.4th 689, 21 Cal.Rptr.2d  
23 72 (1993).) Because Plaintiff’s injuries resulted from the performance of “work that  
24 had some inherent dangers or peculiar risks to those engaged in the activity, including  
25 risks presented by striking objects buried in the soil beneath the pavement being  
26 removed,” Defendant maintains that there is no basis for recovery from the United  
27 States. (MSJ at 11.) Defendant asserts that it did not retain control of the “operative  
28 details” of the work being performed, including the manner in which Plaintiff

1 operated the loader, and that Cal-Pac determined and controlled all of the means by  
2 which such work was accomplished. (Id.) Defendant disclaims liability for injuries  
3 sustained as a result of “an obvious work hazard on the premises created during the  
4 performance of the contracted work for which taking precautions was delegated to the  
5 contractor.” (MSJ at 12.) Again, plaintiff appears to concede that Defendant is not  
6 liable to the extent plaintiff’s injury was caused by the negligent performance of the  
7 contractually obligated duties on the part of Cal-Pac. (Opp. at 7.) Plaintiff appears  
8 to agree with Defendant that the Privette doctrine would immunize Defendant from  
9 such liability and otherwise foreclose liability on the part of Defendant as the hiring  
10 party. (Id.)

11 Second, Defendant asserts that it cannot be liable as the owner of the premises  
12 upon which Plaintiff was injured, citing to Kinsman v. UNOCAL Corp., 37 Cal. 4th  
13 659, 36 Cal. Rptr. 3d 495 (2005) in support its position. Defendant asserts that there  
14 can be no recovery under a premises liability theory because the buried pole was not  
15 a hidden danger, but, rather, was an object made hazardous only because of the  
16 activity of Plaintiff’s employer on the premises. (MSJ at 14.) Alternatively,  
17 Defendant argues that Cal-Pac necessarily was, or should have been, aware of the  
18 buried pole, since “subsurface obstructions” were “obvious and known” hazards of  
19 which Cal-Pac was placed on notice pursuant to the terms of Cal-Pac’s Contract with  
20 Defendant, and that Defendant delegated responsibility for taking precautions for  
21 such hazards to Cal-Pac. (Id.)

22 In support of its Motion, Defendant submits evidence of its contract with Cal-  
23 Pac, whereby Cal-Pac agreed to perform the demolition of the parking lot.  
24 Specifically, Defendant cites to contract number FA4664-05-D-0002, which was  
25 awarded by the United States on September 8, 2005 (the “Contract”). (MSJ at 4;  
26 Bryant Decl. ¶ 2; Exh. 1 thereto.) The Contract, which was amended at various times  
27 (MSJ at 4, 6; Bryant Decl. At ¶ 7), included a Statement of Work, and also  
28 incorporated various other documents, including certain clauses from the Federal

1 Acquisition Regulation<sup>2</sup> (“FAR”) and portions of the Code of Federal Regulations.  
2 (MSJ at 7-8; Bryant Decl. ¶¶ 10-11.)

3 Defendant cites to two specific clauses in the Contract, FAR §§ 52.236-2 and  
4 52.236-3, in support of its argument that Cal-Pac was, or should have been, aware of  
5 subsurface hazards such as the buried pole. (MSJ at 14; Reply at 8.) Defendant  
6 argues that the terms of FAR 52.236-2 put Cal-Pac on notice of the potential for  
7 differing site conditions, including “subsurface or latent physical conditions at the  
8 site” and “unknown physical conditions at the site, of an unusual nature, which  
9 differ[ed] materially from those ordinarily encountered.” In addition, Defendant  
10 argues that FAR 52.236-3 put Cal-Pac on notice of “uncertainties of . . . physical  
11 conditions at the site [and . . .] the character, quality, and quantity of surface and  
12 subsurface materials or obstacles to be encountered.”

13 Based primarily on these two clauses, Defendant argues that Cal-Pac was  
14 placed on notice of the possible existence of subterranean obstacles, such as the  
15 buried pole, and that Defendant thereby complied with its duty under Kinsman.  
16

### 17 **PLAINTIFF’S OPPOSITION**

18 In response to Defendant’s Motion, Plaintiff asserts that the Defendant has not  
19 met its burden of showing that, pursuant to Kinsman, the government neither knew,  
20 nor should have known, of the existence of the buried pole. (Opp. at 9.) Plaintiff  
21 argues that Cal-Pac had no reasonable way of knowing that the buried pole was  
22 located under the parking lot, as the government had provided Cal-Pac with  
23 blueprints for the demolition of the parking lot which showed four existing bollard  
24 poles at the site, but did not disclose the existence of the buried pole. (Opp. at 4, 9.)  
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26 <sup>2</sup> The Federal Acquisition Regulation is a set of uniform policies and  
27 procedures for the acquisition of supplies and services by executive agencies.  
28 Contract Management, Inc. v. Rumsfeld, 434 F.3d 1145, 1148 n. 4 (9th Cir. 2006).

1 Plaintiff also alleges that Defendant marked the location of known hazards (including  
2 underground utilities) at the site with orange paint, but, again, did not mark the  
3 location of the buried pole. (Id.) Plaintiff asserts that Cal-Pac and the plaintiff relied  
4 on Defendant's blueprints and site markings in conducting the demolition of the  
5 parking lot, and, as such, could not have reasonably known of the buried pole. (Opp.  
6 at 9.)

### 8 **DISPUTED FACTS**

9 The following disputed facts are material and relevant to plaintiff's claim.  
10 There is conflicting evidence as to whether the United States knew, or should have  
11 known, of the existence of the buried pole, for purposes of warning Cal-Pac and its  
12 employees, including plaintiff. Defendant maintains that the buried pole didn't  
13 constitute a "hazard," and only became such when plaintiff struck it. (MSJ at 14;  
14 Statement at 12.) Alternatively, Defendant asserts that Cal-Pac should have been  
15 aware of the buried pole, as the terms of the Contract put Cal-Pac on notice of  
16 possible subsurface "site conditions" such as the buried pole. (MSJ at 14-15;  
17 Statement at 12.)

18 Plaintiff, on the other hand, asserts that Defendant provided Cal-Pac with  
19 blueprints for demolition of the parking lot, which indicated the location of other  
20 poles and potential hazards, and that such known hazards were also physically  
21 marked in orange paint at the site. (Opp. at 4; Decl. John Girardi in support thereof,  
22 Opp. Exh. 1; Deposition of Robin Stansberry, p. 78, lns. 14-17; p. 32, lns. 12-18; p.  
23 48, lns. 18-25; p. 49, lns. 1-7; p. 57, lns. 8-16; and p. 170, lns. 6-12.) Plaintiff asserts  
24 Cal-Pac neither knew of, nor could have reasonably ascertained, the existence of the  
25 buried pole, as it reasonably relied on Defendant's representations as to the location  
26 of existing hazards at or beneath the parking lot, as denoted by the blueprints and  
27 paint markings. (Opp. at 9.)

28 ///

## DISCUSSION

### I. Summary judgment standards

A motion for summary judgment shall be granted when there is no genuine issue as to any material fact and the moving party is entitled to judgment as a matter of law. Fed. R. Civ. P. 56(c); Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 247-48 (1986). The moving party must show that "under the governing law, there can be but one reasonable conclusion as to the verdict." Anderson, 477 U.S. at 250.

Generally, the burden is on the moving party to demonstrate that it is entitled to summary judgment. Margolis v. Ryan, 140 F.3d 850, 852 (9th Cir. 1998); Retail Clerks Union Local 648 v. Hub Pharmacy, Inc., 707 F.2d 1030, 1033 (9th Cir. 1983). The moving party bears the initial burden of identifying the elements of the claim or defense and evidence that it believes demonstrates the absence of an issue of material fact. Celotex Corp. v. Catrett, 477 U.S. 317, 323 (1986).

Where the non-moving party has the burden at trial, however, the moving party need not produce evidence negating or disproving every essential element of the non-moving party's case. Celotex, 477 U.S. at 325. Instead, the moving party's burden is met by pointing out that there is an absence of evidence supporting the non-moving party's case. Id. The burden then shifts to the non-moving party to show that there is a genuine issue of material fact that must be resolved at trial. Fed. R. Civ. P. 56(e); Celotex, 477 U.S. at 324; Anderson, 477 U.S. at 256. The non-moving party must make an affirmative showing on all matters placed in issue by the motion as to which it has the burden of proof at trial. Celotex, 477 U.S. at 322; Anderson, 477 U.S. at 252. See also William W. Schwarzer, A. Wallace Tashima & James M. Wagstaffe, Federal Civil Procedure Before Trial § 14:144.

A genuine issue of material fact will exist "if the evidence is such that a reasonable jury could return a verdict for the non-moving party." Anderson, 477 U.S. at 248. In ruling on a motion for summary judgment, the Court construes the evidence in the light most favorable to the non-moving party. Barlow v. Ground, 943

1 F.2d 1132, 1135 (9th Cir. 1991); T.W. Electrical Serv. Inc. v. Pacific Elec.  
2 Contractors Ass’n, 809 F.2d 626, 630-31 (9th Cir. 1987).

3 The FTCA provides that the United States may be held liable for “personal  
4 injury or death caused by the negligent or wrongful act or omission of any employee  
5 of the Government while acting within the scope of his office or employment, under  
6 circumstances where the United States, if a private person, would be held liable to the  
7 claimant in accordance with the law of the place where the act or omission occurred.”  
8 28 U.S.C. § 1346(b)(1). The United States is to be held liable “in the same manner  
9 and to the same extent as a private individual under like circumstances.” 28 U.S.C.  
10 § 2674. See also United States v. Olson, 546 U.S. 43 (2005).

11 The Court thus examines Plaintiffs’ tort claims under California law, as the acts  
12 alleged occurred within California. Bressi v. Ford, 575 F.3d 891, 900 n. 9 (9th Cir.  
13 2009).

14  
15 **II. Summary judgment is warranted to the extent Plaintiff’s claim of**  
16 **negligence is based upon Defendant’s status as the hirer of Cal-Pac as an**  
17 **independent contractor.**

18 The Court concurs with the parties to the extent that they appear to agree that  
19 the Privette doctrine forecloses liability of the Defendant in its capacity as the hirer  
20 of Cal-Pac, and, relatedly, that the government has not waived its sovereign immunity  
21 with respect to such liability. As stated by the California Supreme Court, “[w]hen ...  
22 injuries resulting from an independent contractor’s performance of inherently  
23 dangerous work are to an employee of the contractor, and thus subject to workers’  
24 compensation coverage, the doctrine of peculiar risk affords no basis for employee  
25 to seek recovery of tort damages from the person who hired the contractor but did not  
26 cause the injuries.” Privette, 5 Cal.4th at 731.

27 In Privette, the California Supreme Court significantly limited the liability of  
28 a hirer of an independent contractor to third parties injured in the employ of such



1 independent contractors. The Privette court precluded such liability for harm caused  
2 by the failure of a contractor to exercise reasonable care by failing to take special  
3 precautions against even peculiar risks, when “injuries resulting from an independent  
4 contractor’s performance of inherently dangerous work are to an employee of the  
5 contractor, and thus subject to workers’ compensation coverage.” Id. at 730. Thus,  
6 Privette precludes employees (such as Plaintiff) of independent contractors (such as  
7 Cal-Pac) from seeking recovery of tort damages from the person “who hired the  
8 contractor but did not cause the injuries.” Id. Following Privette, California law  
9 permits a principal to delegate its duty to provide a reasonably safe work place to a  
10 contractor, even where “peculiar risks” are involved, as long as the contractor’s  
11 employees are covered by workers’ compensation.

12 Thus, to the extent plaintiff seeks recovery on such a theory of negligence, the  
13 Court GRANTS Defendant’s Motion for Summary Judgment on this ground, as the  
14 Court finds that there is no genuine issue of material fact such that the United States  
15 could be liable to Plaintiff under the Privette doctrine for his injury. Relatedly, the  
16 Court finds that the government has not waived its sovereign immunity as to this  
17 theory of liability, and, as such, is immune from liability on such a theory.

18  
19 **III. Summary judgment is not warranted with respect to Plaintiff’s negligence**  
20 **claim against the United States based on its status as landowner.**

21 Plaintiff’s premises liability claim is based on his allegation that the  
22 government, in its capacity as the landowner, knew, or should have known, of the  
23 existence of the buried pole, and that it failed to either warn him or otherwise prevent  
24 his injury. (Compl. at 3; Opp. at 9.)

25 In California, a landowner that hires an independent contractor may be liable  
26 to the contractor’s employee, “even if it does not retain control over the work, if (1)  
27 it knows or reasonably should know of a concealed, pre-existing hazardous condition  
28 on its premises; (2) the contractor does not know and could not reasonably ascertain

1 the condition; and (3) the landowner fails to warn the contractor.” Kinsman v.  
2 Unocal Corp., 37 Cal.4th at 675. “[W]here the hazard is concealed from the  
3 contractor, but known to the landowner, the landowner cannot effectively delegate  
4 to the contractor responsibility for the safety of its employees if it has not  
5 communicated crucial information to the contractor.” Padilla v. Pomona Coll., 166  
6 Cal.App.4th 661, 82 Cal.Rptr.3d 869, 881-82 (Cal.Ct.App.2008).

7  
8 **A. There is a question of fact as to whether the buried pole constituted**  
9 **a hazard.**

10 Defendant contends that Kinsman does not apply to the instant case because  
11 the buried pole was not a hidden danger on the premises. (MSJ at 14.) Defendant  
12 contends that “[t]o the extent that the [hidden pole] was ‘hidden’ or ‘concealed’  
13 before digging operations commenced, this object, in its buried state, was not a  
14 hazard to anyone coming upon the premises [and] only became a hazard during . . .  
15 operations . . . conducted by [Cal-Pac].” (Id.) As such, the hazard was ‘created by  
16 the independent contractor itself’ and Defendant cannot be liable. (Id.)

17 While the buried pole may not have been a hazard to a typical invitee, such as  
18 a pedestrian, this does not preclude the Defendant’s liability to plaintiff as the  
19 employee of Defendant’s contractor pursuant to Kinsman. As stated by the Kinsman  
20 court:

21 [T]he basic policy of this state set forth by the Legislature in section  
22 1714 of the Civil Code is that everyone is responsible for an injury  
23 caused to another by his want of ordinary care or skill in the  
24 management of his property . . . . The proper test to be applied to the  
25 liability of the possessor of land in accordance with section 1714 of the  
26 Civil Code is whether in the management of his property he has acted as  
27 a reasonable man in view of the probability of injury to others, and,  
28 although the plaintiff’s status as a trespasser, licensee, or invitee may in

1        the light of the facts giving rise to such status have some bearing on the  
2        question of liability, the status is not determinative. . . . Where the  
3        occupier of land is aware of a concealed condition involving in the  
4        absence of precautions an unreasonable risk of harm to those coming in  
5        contact with it and is aware that a person on the premises is about to  
6        come in contact with it, the trier of fact can reasonably conclude that a  
7        failure to warn or to repair the condition constitutes negligence.  
8        Whether or not a guest has a right to expect that his host will remedy  
9        dangerous conditions on his account, he should reasonably be entitled  
10       to rely upon a warning of the dangerous condition so that he, like the  
11       host, will be in a position to take special precautions when he comes in  
12       contact with it.

13  
14       Kinsman, 37 Cal. 4th at 672-73 (internal citations and quotations omitted) (emphasis  
15       added). Thus, the relevant inquiry is whether Defendant, in the management of its  
16       property, acted reasonably in view of the probability of injury to others.

17       Here, the Court concludes there is a question of fact as to whether the United  
18       States acted reasonably in its capacity as the owner of the premises. To the extent  
19       Defendant argues that the buried pole was, in essence, an inert body which only  
20       became a “hazard” when plaintiff encountered it with his excavator - in essence  
21       denying that the buried pole was a hazard until plaintiff struck it - the Court is  
22       unpersuaded. The stated public policy of California, as codified in Civil Code §  
23       1714, and as recounted by the court in Kinsman, is to hold a person responsible for  
24       the consequences of his lack of ordinary care, including, *inter alia*, in the  
25       management of such person’s property. (See Kinsman at 673.) (See also Krongos  
26       v. Pacific Gas & Electric Co., 7 Cal.App.4th 387, 393 (1992) (duty to protect against  
27       even obvious hazards). If the Court were to agree with Defendant’s argument,  
28       virtually no undisclosed hazard would be a basis for landowner liability, since, by

1 definition, such a hazard only becomes a hazard when it is encountered by someone  
2 and causes them injury. The Court concludes that a question of fact remains as to  
3 whether Defendant acted reasonably in the management of its property with respect  
4 to the buried pole and its role in Plaintiff's injury. Stated another way, the Court  
5 concludes that there remains a triable issue of fact as to whether the buried pole  
6 constituted a concealed, pre-existing hazardous condition of which the United States  
7 was, or should have been, aware.

8  
9 **B. There is a question of fact as to whether the United States delegated**  
10 **its duty, as a landowner, to warn Cal-Pac and its employees of**  
11 **hazards or otherwise placed Cal-Pac on reasonable notice of**  
12 **hazards which were known, or which should have been known.**

13 Defendant also argues that Cal-Pac necessarily was, or should have been, aware  
14 of the possible presence of subterranean hazards, such as the buried pole, because  
15 Defendant placed Cal-Pac on notice of the potential for subsurface hazards through  
16 certain clauses contained in Cal-Pac's Contract. Defendant also argues that its  
17 conduct was consistent with such a conclusion, citing as an example Defendant's  
18 cautionary warning that drawings provided to Cal-Pac with the location of existing  
19 underground lines were "to be regarded as approximate only," (Bryant Decl. ¶ 3 at  
20 83). Defendant places much emphasis on the terms of the Contract, which it contends  
21 "placed the responsibility for the site squarely in the hands of [Cal-Pac]." The two  
22 specific clauses relied upon by the government for this argument are from the FAR,  
23 to wit:

- 24 - § 52.236-2, which allegedly put Cal-Pac on notice of the potential  
25 for differing site conditions, including "subsurface or latent  
26 physical conditions at the site" and "unknown physical conditions  
27 at the site, of an unusual nature, which differ[ed] materially from  
28 those ordinarily encountered"; and

1           -       § 52.236-3, which allegedly put Cal-Pac on notice of  
2           “uncertainties of . . . physical conditions at the site [and . . .] the  
3           character, quality, and quantity of surface and subsurface  
4           materials or obstacles to be encountered.”

5 (MSJ at 7; Bryant Decl. ¶ 10.)  
6

7           Under California law, the interpretation of a written contract is a judicial  
8 function. (Pacific Gas & Electric Co. V. G.W. Thomas Drayage & Rigging, 69  
9 Cal.2d 33, 39-40, 69 Cal. Rptr. 561, 442 P.2d 641 (1969). To ascertain the meaning  
10 of a contract term, the court must give effect to the mutual intention of the contracting  
11 parties at the time of contracting (Cal. Civ. Code § 1636), and the language of the  
12 contract is to govern its interpretation, to the extent possible. (Cal. Civ. Code §§  
13 1638, 1639). The entirety of a written contract is to be reviewed as a whole in order  
14 to give effect to every part, and each term may be used to assist in the interpretation  
15 of other terms (Cal. Civ. Code § 1641).

16           Thus, in order to interpret the intention of the parties with regard to the clauses  
17 relied upon by Defendant, the Court must look to the language of the entire Contract.

18           Here, the Contract was comprised of several parts, and incorporated several  
19 standardized clauses from the FAR. Defendant cites to certain of these terms for the  
20 proposition that responsibility for the site was “placed squarely in the hands of Cal-  
21 Pac Engineering.” (MSJ at 7.) The specific clauses cited by Defendant are, in  
22 relevant part, as follows:

23           1.     FAR § 52.236-2 Differing Site Conditions

24           (a)    The Contractor shall promptly, and before the conditions are  
25           disturbed, give a written notice to the Contracting Officer of -

26                   (1)   Subsurface or latent physical conditions at the site which  
27                   differ materially from those indicated in this contract; or

28                   (2)   Unknown physical conditions at the site of an unusual

1 nature, which differ materially from those ordinarily  
2 encountered and generally recognized as inhering in work  
3 of the character provided for in the contract.

4 (b) The Contracting Officer shall investigate the site conditions  
5 promptly after receiving the notice. If the conditions do  
6 materially so differ and cause an increase or decrease in the  
7 Contractor's cost of, or the time required for, performing any part  
8 of the work under this contract, whether or not changed as a result  
9 of the conditions, an equitable adjustment shall be made under  
10 this clause and the contract modified in writing accordingly . . .

11 2. FAR § 52.236-3 Site Investigation and Conditions Affecting the Work.

12 (a) The Contractor also acknowledges that it has satisfied itself as to  
13 the character, quality and quantity of surface and subsurface  
14 materials or obstacles to be encountered insofar as this  
15 information is reasonably ascertainable from an inspection of the  
16 site, including all exploratory work done by the government, as  
17 well as from the drawings and specifications made a part of this  
18 contract, any failure of the Contractor to take the actions  
19 described and acknowledged in this paragraph will not relieve the  
20 Contractor from responsibility for estimating properly the  
21 difficulty and cost of successfully performing the work or for  
22 proceeding to successfully perform the work without additional  
23 expense to the government.

24  
25 Reading the entire pertinent portions of these clauses, the Court concludes that  
26 they pertain to the cost and/or pricing of the Contract, and are not a mechanism for  
27 shifting liability. Indeed, the language of § 52.236-2 specifically refers to "an  
28 equitable adjustment" of the cost or time of performance, and thus appears to pertain

1 to change orders to the Contract, requiring Cal-Pac to review the site “before  
2 conditions are disturbed.” Assuming Cal-Pac did so, it would not have discovered  
3 the buried pole, and even if it had, § 52.236-5 only provides for an equitable  
4 adjustment to the Contract amount, and does not reference the liability of the parties.  
5 Similarly, the text of § 52.236-3 references possible subsurface obstacles which may  
6 be “reasonably ascertainable from an inspection of the site,” and does not confer any  
7 blanket immunity upon the government for any obstacles not discovered from such  
8 an inspection.

9 Defendant has not adduced evidence that Cal-Pac could have “reasonably”  
10 ascertained the existence of the buried pole through an inspection of the premises, or  
11 that it any way breached either of the cited clauses.

12 Moreover, the Contract does include a clause pertaining to liability for damage  
13 to underground utilities, which the government failed to cite to in its Motion.  
14 Specifically, § 15.3 of the Statement of Work states as follows:

15 SW - 15.3 The utilities shown on the digging permit or marked on the  
16 ground at the construction site are within 3' (horizontal) of the  
17 location shown. Any utility which is not shown and/or is not  
18 within the 3' tolerance (horizontal) will be repaired by the  
19 government or repaired by the contractor at government expense.  
20

21 As such, Defendant retained liability for damage to underground utilities which  
22 was due to the fault of Defendant, *i.e.*, when such utilities were damaged because they  
23 were more than three feet from the location of such as represented by the government.

24 Moreover, the government, in its capacity as the owner, provided Cal-Pac with  
25 blueprints for the site (Stansberry Depo p. 57, lns. 1-21), and either the government  
26 or its agents marked the parking lot with orange paint to denote visible hazards,  
27 including underground pipes and utility lines. (Stansberry Depo., p. 37, lns. 24-25;  
28 p. 38, lns. 1-9.) The Plaintiff testified that the significance of the marked hazards was

1 that he would not use the excavator near the marked hazards, but, rather, laborers  
2 would use picks and shovels to manually excavate the parking lot near such hazards  
3 to avoid damaging them. (Stansberry Depo. at p. 38, lns. 10-14.) Therefore, it would  
4 appear that the government did not place the responsibility for the site “squarely in  
5 the hands of Cal-Pac”, as it took affirmative steps to advise Cal-Pac of known  
6 hazards, both above and below ground, and retained contractual liability for its errors,  
7 at least to a limited extent.

8 Thus, when the conduct of the government, coupled with the entirety of the  
9 contract terms, is reviewed as a whole, the Court concludes that a material fact exists  
10 as to whether Defendant delegated any of its duty as landowner to Cal-Pac, or  
11 whether Cal-Pac was somehow placed on reasonable notice as to the possible  
12 existence of subterranean obstacles, such as the buried pole. The Court is  
13 unpersuaded that the Contract terms somehow delegated the duty of Defendant  
14 arising out of its status as the landowner, under Kinsman, to Cal-Pac.

### 15 16 CONCLUSION

17 In accordance with the foregoing, the government’s Motion for Summary  
18 Judgment is GRANTED with respect to the claim for negligent supervision of the  
19 independent contractor, Cal-Pac and DENIED with respect to the negligence claim  
20 for landowner liability.

21  
22 DATED: April 15, 2011



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25 DAVID T. BRISTOW  
UNITED STATES MAGISTRATE JUDGE  
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